

CONTRACT #7
RFS # N/A
UT Tracking # 1021970

University of Tennessee
Knoxville Campus

VENDOR:
Delta Airlines Charter Sales



May 8, 2007

RECEIVED

MAY 09 2007

FISCAL REVIEW

Mr. Jim White
Executive Director
Fiscal Review Committee
320 Sixth Avenue, North – 8th Floor
Nashville, TN 37243-0057

Dear Mr. White:

The University of Tennessee is submitting for the committee's review a non-competitively bid contract with Delta Airlines Charter Sales to acquire airplane travel service for the Knoxville athletic team away game travel. The contract primarily serves the UT football, men's basketball and women's basketball teams but may be used sparingly for other teams, if needed.

The university competitively bid charter services for team travel in FY 2004. The bid included the option to annually renew the contract for up to four years. The attached contract represents the renewal of the contract option for the fourth year. This service will be competitively bid for service occurring after June 30, 2008.

If you have questions or need additional information, please let me know.

Respectfully,

A handwritten signature in cursive script that reads "Sylvia Shannon Davis".

Sylvia Shannon Davis
Vice President for Administration and Finance

c: John D. Petersen
Mike Hamilton
Anthony Haynes
Bill Myers

CONTRACT SUMMARY SHEET

021406

RFS#	Contract#
State Agency	State Agency Division
University of Tennessee	UT Knoxville
Contractor Name	Contractor ID# (FEIN or SSN)
Delta Airlines Charter Sales	<input type="checkbox"/> C- or <input checked="" type="checkbox"/> V-

Service Description			
Provide transportation to away games for the Men's and Women's athletic teams			
Contract BEGIN Date	Contract END Date	Subrecipient or Vendor?	CFDA #
7/1/2007	6/30/2008	Vendor	N/A

Mark Each TRUE Statement	
<input type="checkbox"/> N/A Contractor is on STARS	<input checked="" type="checkbox"/> Contractor's Form W-9 is on file in Accounts

Allocation Code	Cost Center	Object Code	Fund	Funding Grant Code	Funding Subgrant Code
332.42	N/A	N/A	N/A	N/A	N/A
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2004				\$ 1,078,000.00	\$ 1,078,000.00
2005				\$ 1,078,000.00	\$ 2,156,000.00
2006				\$ 1,112,000.00	\$ 3,268,000.00
2007				\$ 1,101,163.00	\$ 4,369,163.00
2008				\$ 1,500,000.00	\$ 5,869,163.00
TOTAL:	\$ -	\$ -	\$ -	\$ 5,869,163.00	\$ 5,869,163.00

— COMPLETE FOR AMENDMENTS ONLY —			State Agency Fiscal Contact & Telephone#
FY	Base Contract & Prior Amendments	THIS Amendment ONLY	Sylvia Davis, 865-974-2244
2004	\$ 1,078,000.00		State Agency Budget Officer Approval Sylvia Shannon Davis, VP Administration and Finance
2005	\$ 1,078,000.00		
2006	\$ 1,112,000.00		
2007	\$ 1,101,163.00		
			Funding Certification (certification, required by T.C.A., § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)
TOTAL:	\$ 4,369,163.00	\$ -	
End Date	6/30/07		

Contractor Ownership (complete only for base contracts with contract # prefix FA or GR) N/A			
<input type="checkbox"/> African American	<input type="checkbox"/> Person w/ Disability	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Small Business <input type="checkbox"/> NOT disadvantaged
<input type="checkbox"/> Asian	<input type="checkbox"/> Female	<input type="checkbox"/> Native American	<input type="checkbox"/> OTHER minority/disadvantaged—

Contractor Selection Method (complete for ALL base contracts— N/A to amendments or delegated authorities)			
<input checked="" type="checkbox"/> RFP	<input type="checkbox"/> Competitive Negotiation	<input type="checkbox"/> Alternative Competitive Method	
<input type="checkbox"/> Non-Competitive Negotiation	<input type="checkbox"/> Negotiation w/ Government(eg, ID, GG, GU)	<input type="checkbox"/> Other	

Procurement Process Summary (complete for Alternative Method, Competitive Negotiation, Non-Competitive Negotiation, OR Other)
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The university bid these services in FY 2004 for one year with the option to extend the service for four additional one-year periods.

**THE UNIVERSITY OF TENNESSEE
REQUEST: NON-COMPETITIVE JUSTIFICATION FORMS**

APPROVED:

UT System Office Approval

Date

Each of the request items below indicates specific information that must be individually detailed or addressed as required. A request cannot be considered if information provided is incomplete, non-responsive, or does not clearly address each of the requirements individually as required.

1) UT Tracking Number			
2) Campus/Institute Name	Knoxville/Athletics		
3) Short Description:	Provide charter air flight service for athletic teams for FY 2008		
4) Proposed Vendor:	Name:	Delta Airlines	
	Vendor Number:	1021970	
	Vendor ID:	58-0218548	
5) Contract Start Date:			July 1, 2007
6) Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised :			June 30, 2008
7) Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised :			\$1,500,000 (including the originally bid contract and exercised renewal periods, the contract totals \$5,869,163).
8) Approval Criteria : (select one)	<input type="checkbox"/>	use of Non-Competitive Negotiation is in the best interest of the university	
	<input checked="" type="checkbox"/>	only one uniquely qualified service provider able to provide the service	
9) Detailed Description of Service to be Acquired :			
Charter air service for all athletic teams for FY 2008			
10) Explanation of the Need for or Requirement Placed on the Procuring Agency to Acquire the Service :			
Charter air travel needed due to size of teams and timing of events specific to class schedules			
11) Explanation of Whether the Procuring Agency Bought the Service in the Past, & if so, What Procurement Method It Used :			
Yes, both competitive and non-competitive			
12) Name & Address of the Proposed Vendor/Contractor(s): (<u>not</u> required if proposed contractor is a state education institution)			

Delta Airlines 1030 Delta Blvd. Atlanta, GA 30354	
13) Evidence of the Proposed Vendor/Contractor's Experience and Length of Experience Providing the Service :	
Existing air service provider for football and men/women's basketball	
14) Documentation of Office for Information Resources Endorsement : (required <u>only</u> if the subject service involves information technology)	N/A
15) Documentation of Department of Personnel Endorsement : (required <u>only</u> if the subject service involves training for state employees)	N/A
16) Documentation of State Architect Endorsement : (required only if the subject service involves construction or real property related services)	N/A
17) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :	
Current contract was competitively bid in FY 2004 and included the option to annually renew the contract for up to four additional years.	
18) Justification of Why the University Should Use Non-Competitive Negotiation Rather Than a Competitive Process: (Being the "only known" or "best" service provider to perform the service as desired will not be deemed adequate justification.)	
Athletics seeks to exercise final option of contract/purchase order that was originally bid by purchasing in FY 2004.	

THE UNIVERSITY OF TENNESSEE

CONTRACT

This Contract, made and entered into on July 1, 2007, documents the agreement between The University of Tennessee (hereinafter University) and Delta Airlines (hereinafter Contractor).

This Contract consists of this cover page, the University's Standard Terms and Conditions (on reverse), and _____ additional pages. Terms contained on this cover page and the University's Standard Terms and Conditions shall prevail over those of any attachment unless otherwise stated under "Other terms" below.

Contractor will provide the following:

Charter air service for athletic teams for 2007-08 fiscal year; primary users will be football, men's basketball, and women's basketball. Other teams may have a need as arises due to special circumstances.

The period of performance under this contract is from July 1, 2007 through June 30, 2008. However, the University may terminate this Contract by giving the Contractor at least thirty (30) days written notice before the effective termination date, in which event the Contractor shall be entitled to receive equitable compensation for satisfactory authorized work completed as of the termination date.

The University will compensate the Contractor \$ as detailed by Delta per flight.

Other payment terms:

The University's maximum liability under this Contract is \$ 1,500,000.

Other terms (N/A if none):

In witness of their acceptance of the terms of this agreement, the parties have had this Contract executed by their duly authorized representatives.

FOR CONTRACTOR:

Signature

Name (Printed)

Title

Delta Airlines, Inc.

Address

1030 Delta Blvd.

Atlanta, GA

Telephone Number

58-0218548

SSN or Fed. Id. No.

FOR UNIVERSITY:

Athletics

Department Name

E018605001

Responsible Account
(If applicable)

Administrative Signature
(Optional)

Authorized Official

STANDARD TERMS AND CONDITIONS

1. The University is not bound by this Contract until it is approved by the appropriate University official(s) indicated on the signature page of this Contract.
2. This Contract may be modified only by a written amendment which has been executed and approved by the appropriate parties as indicated on the signature page of this Contract.
3. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the University.
4. Unless otherwise indicated on the reverse, if this Contract provides for reimbursement for travel, meals or lodging, such reimbursement must be made in accordance with University travel policies.
5. The Contractor warrants that no part of the total Contract amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor, or consultant to Contractor in connection with any work contemplated or performed relative to this Contract, and that no employee or official of the State of Tennessee holds a controlling interest in the Contractor. If the Contractor is an individual, the Contractor certifies that he/she is not presently employed by the University or any other agency or institution of the State of Tennessee; that he/she has not retired from or terminated such employment within the past six months; and that he/she will not be so employed during the term of this Contract.
6. The Contractor shall maintain documentation for all charges against the University under this Contract. The books, records and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment, and shall be subject to audit, at any reasonable time and upon reasonable notice, by the University or the Comptroller of the Treasury, or their duly appointed representatives. These records shall be maintained in accordance with generally accepted accounting principles.
7. No person on the grounds of disability, age, race, color, religion, sex, national origin, veteran status or any other classification protected by Federal and/or Tennessee State constitutional and/or statutory law shall be excluded from participation in, or be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract. The Contractor shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to all employees and applicants, notice of non-discrimination.
8. The Contractor, being an independent contractor, agrees to carry adequate public liability and other appropriate forms of insurance, and to pay all taxes incident to this Contract. The University shall have no liability except as specifically provided in this Contract.
9. The Contractor shall comply with all applicable Federal and State laws and regulations in the performance of this Contract.
10. This Contract shall be governed by the laws of the State of Tennessee, which provide that the University has liability coverage solely under the terms and limits of the Tennessee Claims Commission Act.
11. The Contractor shall avoid at all times any conflict of interests between his/her duties and responsibilities as a Contractor and his/her interests outside the scope of any current or future Contracts. The following principles define the general parameters of a conflict of interests prohibited by the University:
 - A. A Contractor's outside interests shall not interfere with or compromise his/her judgment and objectivity with respect to his/her duties and responsibilities to the University.
 - B. A Contractor shall not make or influence University decisions or use University resources in a manner that results in:
 - Financial gain outside any current or future Contracts for either the Contractor or his/her relatives or
 - Unfair advantage to or favored treatment for a third party outside the University.
 - C. A Contractor's outside financial interests shall not affect the design, conduct, or reporting of research.

The Contractor certifies that he/she has no conflicts of interests and has disclosed in writing the following:

 - A. Any partners or employees of the Contractor who are also employees of the University.
 - B. Any relatives of the Contractor's partners or employees who work for the University.
 - C. Any outside interest that may interfere with or compromise his/her judgment and objectivity with respect to his/her responsibilities to the University.
12. If the Contractor fails to perform properly its obligations under this Contract or violates any term of this Contract, the University shall have the right to terminate this Contract immediately and withhold payments in excess of fair compensation for completed services. The Contractor shall not be relieved of liability to the University for damages sustained by breach of this Contract by the Contractor.
13. It is understood by the Contractor that the University will possess all rights to any creations, inventions, other intellectual property, and materials, including copyright or patents in the same, which arise out of, are prepared by, or are developed in the course of the Contractor's performance under this Contract. The Contractor and the University acknowledge and agree that the Contractor's work under this Contract shall belong to the University as "work-made-for-hire" (as such term is defined in U.S. Copyright Law).
14. In compliance with the requirements of Chapter 878, Public Acts of 2006 of the State of Tennessee, for any contract for goods or services purchased by the University, the Contractor hereby attests that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performances of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the United States in the performance of the Contract.